

October 26, 1992  
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To: F. K. Femling 1F-09

cc: K. J. Hendrickson 7E-EJ  
T. M. McCain 13-08  
A. L. Paris 5P-91  
C. M. Stewart 7E-HA  
K. J. Thomson 7E-HF  
S. Tochko 7E-EJ

Subject: Boeing Portland Ground Water Investigation Costs

You have requested a description of activities associated with costs incurred for groundwater contamination at Boeing Portland and a prediction of future costs. The following is an explanation of the major components of the Boeing Portland ground water investigation and remediation.

Phase I: This covers all activities associated with the investigation of ground water contamination on Boeing Portland property (onsite), in both the first (TGA) and second (TSA) aquifers.

Phase II: All activities conducted in this phase are in support of the investigation of the extent of ground water contamination off Boeing Portland property (offsite).

Surface Impoundment: This was the initial phase of what became the Boeing Portland ground water investigation, and was concerned with investigation and closure of the former waste storage impoundment. Discovery of ground water contamination during this phase led to the broader Boeing Portland ground water investigation. Many of these costs would have been incurred whether or not contamination was present.

ICA (Interim Corrective Action): All activities in this phase are related to the construction and operation of the ground water treatment system at Boeing Portland.

Legal: These costs are for outside legal support for on- and offsite activities.

Rockwood Well Abandonment: Costs here were for physical abandonment of the former Rockwood production wells. The wells were abandoned to prevent migration of contamination from the first to lower aquifers.

Construction Support: Costs associated with this phase are for environmental support for new construction at Boeing Portland in areas where contaminated soil and/or ground water is a concern. These activities would not have been necessary if contamination had not been found onsite.

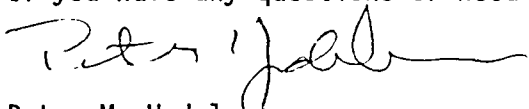
Boeing has acknowledged that the Boeing Portland property has been a source of contamination to the first aquifer, and has accepted responsibility for the cost of associated investigation and remediation. The expected future costs, shown below, are for the continuation of this remediation.

ESTIMATED FUTURE COSTS

<u>EXPECTED</u>	<u>POSSIBLE</u>
\$2M - \$3M	\$20M - \$85M

The possible future costs are for additional investigation and cleanup which the Oregon Department of Environmental Quality may require of Boeing. It is not currently possible to estimate how likely it is that these costs will be incurred.

If you have any questions or need any additional information, please call me.



Peter M. Hudelson  
4-1241 M/S 7E-EJ  
Phone: (206) 393-4703